

Office of Economic Development
Economic Development Advisory Board
57 E. 1st Street
Lower Level Council Chambers
Mesa, AZ 85201

MEETING MINUTES

Date: April 2, 2013 **Time:** 7:30 A.M.

MEMBERS PRESENT

Terry Benelli
James Christensen
Tony Siebers
Laura Snow
Mitzi Montoya
Jo Wilson
Steve Wood

EX-OFFICIO

Mayor Scott Smith (excused)
Chris Brady (excused)
Brian Campbell
Jeff Crockett
Sally Harrison
Steve Shope

STAFF PRESENT

Tony Bianchi
Sue Cason
Bill Jabjiniak

MEMBERS ABSENT

Rich Adams (excused)
Jeff Pitcher (excused)

GUESTS

Marc Garcia
Jane Morris

1. Chair's Call To Order

Chair Jeff Crockett called the April 2, 2013 meeting of the Economic Development Advisory Board to order at 7:34 a.m. at the City Council Chambers, Lower Level, 57 E. 1st Street, Mesa, AZ 85201.

2. Items from Citizens Present

None.

3. Approval of Minutes from March 5, 2013, Board Meeting

Chair Crockett called for a motion to approve the minutes from the meeting held on March 5, 2013.

MOTION: Jo Wilson moved that the minutes from March 5, 2013, be approved.

SECOND: Steve Wood

DECISION: Passed unanimously.

4. Wrigleyville Development Opportunities

Mr. Scot Rigby, Senior Project Manager reviewed the Chicago Cubs' location, formerly the Riverview Golf Course as located at Rio Salado and Dobson Roads. The complex, dubbed the Wrigleyville Development, consists of a four-part project with four major league baseball fields, team facilities, headquarters with two baseball diamonds and half an infield. To the east is the stadium with a grassy area utilized for parking on game

days. Furthest to the east is a four and a half acre lake, twice as deep as it previously was, and playground equipment with a climbing wall and splash pads planned.

Wrigleyville will utilize the fields for other sports such as soccer. Future plans include a vibrant district along Paseo with potential development of retail space for possible restaurants, hotels, and nightclubs. The Cubs have the priority and the right to develop Wrigleyville by recruiting entities with Chicago ties. The original agreement is planned to be amended to include a focus on retail by the Cubs and hospitality by the City of Mesa; specifically, north of Paseo will be focused on by the City of Mesa and south of Paseo will be designated for the Cubs.

The Marriott Springville Suites is a promising prospect for the first hotel. The developer owns and operates their own facilities and are one of Marriott's top eight hotel developers across the nation. With a minimum of four stories, plans are to open the facility prior to Spring Training commencement in 2015.

Current work on the stadium has mostly focused below ground. The concourse and balcony of the stadium have been designed with a lower profile as a goal of a more intimate setting than major league stadiums.

Mrs. Terry Benelli inquired about the price per square foot for the land and the bed tax for the Marriott. Mr. Rigby assured the board that no tax was forfeited but rather increased from three to five percent with an average of \$160,000 to 170,000 per year estimated revenue projected.

Mr. Steve Wood requested the location of the Marriott on the map displayed by Mr. Rigby. With a location at the corner of Riverview and Paseo, outside of the stadium door, it will cater to the business class as a mid-upper-scale establishment with complimentary breakfast.

Mr. Brian Campbell questioned the plans for parking in the future. Mr. Rigby asserted that over time the options would be either the area around softball fields as additional parking or possible parking garages.

Mr. Tony Siebers asked about the future plans for transportation and traffic issues. Mr. Rigby replied that the plan is predominantly surface traffic, such as carpools with connections up and down Dobson for light rail and the Metro. Additionally, Tempe is considering a street car connection between the two cities.

Mr. William Jabjiniak indicated that the three facilities prior to this one did have the emphasis of hospitality offerings as part of the overall concept, noting the former were islands of development, whereas Wrigleyville is the first in the heart of an urban area. With the facility 10 minutes from Scottsdale and a short drive to Sky Harbor Airport, a year-round environment will be realized. Teaming with the Cubs to utilize all seven fields for Amateur Athletic Union (AAU) and other tournaments is the goal in creating a multi-sport tier facility. The hotels would draw out-of-town teams needing a place to stay. The large park, lake for fishing and unique playground area will encourage visitors to extend their stay. With Falcon Field nearby as well as Banner Desert Medical Center and Cardon's Children's Hospital and other amenities, other activities beyond Spring Training can be drawn to the area.

Mr. Wood inquired about the development of the Cubs' side of Paseo. Mr. Rigby stated that Mesa and the Cubs' focus are building up a unique urban feel.

Mr. Steve Shope questioned the management of the facility. Mr. Rigby affirmed that Mesa currently manages Hohokam, but the Cubs will manage the new facilities day to day operation. The cost to run the stadium and maintain the practice fields for Mesa has been costly in the past so in this instance, Mesa builds the facility and the team runs it. If the Cubs were to leave and a new team recruited, Mesa would realize a cost of approximately \$2.3 million to maintain the Cubs' current Hohokam facility. Consequently, the city can see a savings of approximately \$1.4 million if the facility is run by the team. The Oakland A's, on the other hand, are looking for a more intimate setting and desire to have the city utilize their facility.

When asked about the time frame, Mr. Rigby intimated that the Marriott is slated to break ground the first of next year. Mr. Jabjiniak further indicated that the hotel is assisting in building momentum for the area.

Hohokam renovation for the Oakland A's will see a downsizing of the stadium, according to Mr. Jabjiniak. Mr. Rigby indicated they are not really downsizing but rather attempting to create more of a home in the area. The A's desire is to have the players interact with the public. With seating for approximately 12,000 currently, they plan to renovate to approximately 9,000 seats with party decks, expanded concessions and a field level beverage area behind the net. They would like to develop a tailgating parking spot at the outfield fence line where fans can view the game. Although the Cubs are planning a lockdown secured facility with limited use by the City of Mesa, the A's outside of Spring Training encourage city use for sports, such as soccer, rugby and lacrosse to create a year-round atmosphere.

The Cubs are planning to move out of Hohokam by the end of 2013, the renovations for the A's on Hohokam Stadium and the Fitch Park facility will begin in January 2014 with a Spring Training 2015 opening.

5. General Plan Update

Mr. Rich Adams was excused from the meeting today so there was no update at this time.

Chair Crockett took this time to recognize Ms. Jane Morris, the Executive Director of Phoenix Mesa Gateway Airport, and Mr. Marc Garcia, the Executive Director of Visit Mesa as well as Mr. Tony Bianchi from the city's Economic Development office.

6. Healthcare Subcommittee Update

Ms. Benelli stated the draft report has been submitted, which includes a market analysis. The target opportunities for Mesa include recruitment strategies. The subcommittee will

review the draft from ESI and anticipate presentation possibly at the May or June Board Meeting.

7. Update on AZLabs

Mr. Brian Campbell opined that his review of the AZLabs and GPEC dovetail, so he combined his topics into this item. On March 26, a defense forum event at the Lab facility was well attended with approximately 120 participants. The first of its kind, this was a unique opportunity nationally since this was a public event at a secured facility. With tremendous cooperation from federal security officials, this was a successful event that generated new prospects. New leases are being signed and the project continues to move forward.

The Federal Aviation Administration Screening Information Request (FAA SIR) for six test sites is currently underway. Without the FAA test site designation, by 2018, a predicted 3,000 new jobs and \$300 million in economic impact are projected, but with the designation, these could potentially triple.

April 21-24, 2013, will be the third annual delegation trip to Washington, D.C. lead by GPEC. The delegation will support the FAA SIR.

Mr. Shope stated that the proposals are complicated with much detail. The proposal is on track for submission with the final portion covering economic development with an outside firm doing the analysis. Chair Crockett inquired if there was anything this Board could do to assist the effort. Mr. Shope indicated that community support is vital for the FAA to see residents' acceptance of the idea.

Mr. Campbell further declared that the Unmanned Aircraft Vehicle (UAV) Program was not subject to sequestration but rather the technology transitions easily from military to private or civilian use. Mr. Shope further indicated that funding could come from the FAA in the future.

8. Director's Report

Mr. Jabjiniak announced that the AZLabs Economic Development Conveyance (EDC) activities are still ongoing.

Business to Baseball will be changing since the Cubs will control their facility with not as much accessibility for the City while the A's facility will be more open to the community.

The newsletter has been delayed due to staff issues. Mr. Kim Lofgreen has been hired as the new Marketing and Development Manager. Mr. Lofgreen has extensive design and marketing experience and will begin the middle of April. An Economic Development Specialist is in the final stages of being hired with the anticipated start date by the middle of April also. The interviews to replace Sue Cason and Betsy Adams are in the process of being scheduled.

In partnership with Arizona State University (ASU), an agreement has been reached for the business accelerator location on the ASU Polytechnic campus adjacent to the AZLabs. The Mayor supports incubation, acceleration and the opportunity to share the space and the costs. The focus on technology and innovation with companies who have a business plan and need a place to prove their projects as well as flex space is acknowledged. Ms. Mitzi Montoya stated that mentoring services, university prototype services, various applications and access to students for work or projects are just some of the opportunities available.

Ms. Benelli stated that ASU Polytechnic approached NEDCO regarding mentorship. The students working with the businesses has been phenomenal including weekly meetings and students helping to ramp up businesses. Ms. Montoya further explained that bringing together tenants with students and then the students applying what they are learning is a positive for everyone.

Mr. Shope suggested periodic networking events hosted by ASU.

9. GPEC Update

This agenda item was reviewed with the Update on AZLabs.

10. Other Business

Tuesday, May 7, 2013, will be the next EDAB Board meeting. Chair Crockett stated that the next meeting will be held at the Cubs facility.

Mrs. Jo Wilson interjected that Benedictine University is on track to begin enrollment with much activity. Their goal is to occupy their facility by the end of July. She also stated that Wilkes University is looking for an Executive Director.

Mr. Siebers mentioned that a Downtown Education Corridor Subcommittee should be considered in the coming months.

11. Adjournment

Chair Crockett adjourned the Board meeting at 8:37 a.m.

Submitted By:

William J. Jabjiniak
Economic Development Department Director
(Prepared by Jeanne LaRue)